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| APPLICATION NO. | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|-----------------|-------------|----------------------|---------------------|------------------|
| 10/082,470      | 02/21/2002  | Shane A. Chalke      | 455.01              | 1861             |

7590  
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01/29/2007

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| EXAMINER |
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TRAN, HAI

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| ART UNIT | PAPER NUMBER |
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3693

| SHORTENED STATUTORY PERIOD OF RESPONSE | MAIL DATE  | DELIVERY MODE |
|--|------------|---------------|
| 3 MONTHS                               | 01/29/2007 | PAPER         |

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

**Office Action Summary**

Application No.

10/082,470

Applicant(s)

CHALKE ET AL.

Examiner

Hai Tran

Art Unit

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 21 February 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-19 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-19 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☒ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)            | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>02/21/2002</u> .  | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

1. This is the first Office Action in response to the patent application filed on February 21, 2002, titled: "Method Of Managing Financial Investments On A Group Basis". This application is a Continuation-in-Part of provisional patent applications: 60/270,412, filed on 02/21/2001; and 60/275,145, filed on 03/13/2001.
2. Claims 1-19 are pending in this application.

### ***Drawings***

3. The subject matter of this application admits of illustration by a drawing to facilitate understanding of the invention. Applicant is required to furnish a drawing under 37 CFR 1.81(c). No new matter may be introduced in the required drawing. Each drawing sheet submitted after the filing date of an application must be labeled in the top margin as either "Replacement Sheet" or "New Sheet" pursuant to 37 CFR 1.121(d).

### ***Specification Objection***

4. The disclosure is objected to because of the following informalities:  
Reference U.S. Patent No. 5,844,285 cited in the specification is incorrect; it should be 5,884,285. Appropriate correction is required.

***Claim Rejections - 35 USC § 102***

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

6. The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

7. Claim 1 is rejected under 35 U.S.C. 102(e) as being anticipated by Wallman (Patent No. U.S. 6,601,044) ("Wallman").

8. Wallman discloses a computer-based system for creating a portfolio of assets and executing trades in the assets to modify the portfolio.

9. The system receives votes via computer network from the participants of the financial investment fund regarding executing a market order for a security, wherein each participant is a partial-owner of the financial investment fund (column 20, lines 52-55). The system includes a graphical interface processor interface with an investor's personal computer to select a plurality of assets to be in the investor's portfolio based on the investor's preferences (Abstract). The system automatically groups the investors

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based on their characteristics such as risk and return, affinity group preference, investment strategies, etc. (column 15, lines 11-21, column 16, lines 37-46).

10. Wallman's system includes a central processor coupled to the communication interface to receive plurality of trading orders and forward them for execution to a third party (Abstract, column 11, lines 61-63). The examiner interprets that "a third party" in Wallman's disclosure as a money manager with the capability and authority to interact with the system to execute the trade orders.

***Claim Rejections - 35 USC § 103***

11. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

12. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

13. Claims 2-19 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wallman (Patent No. U.S. 6,601,044) ("Wallman") in view of Official Notice.

14. Regarding to claims 2-10 and 13, Wallman does not explicitly disclose: define trading day cut off times for each investment; execute regular, pre-timed target accounts by target percentages; modify, cancel, adjust investments; prepare reports for a group of contracts; conduct multiple transactions on individual accounts within groups of accounts without human intervention; check errors in contracts; check contract to ensure it does not have outstanding trades; and cancel or modify transactions on individual accounts within groups of accounts before trade cut off time. Examiner takes an Official Notice that such features are well known in the art of managing a financial investment for the purpose of more efficiently managing investment portfolio.

Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Wallman's to incorporate the well known features for the purpose of more efficiently managing investment portfolio, thereby, reducing the risk of loss in investing.

15. Regarding to claims 11 and 12, Wallman's system automatically groups the investors based on their input characteristics such as risk and return level, affinity group preference, investment strategies, etc. (column 15, lines 11-21, column 16, lines 37-46).

16. Regarding to claims 14, 15 and 19, Wallman's system is a computer network system and connects to the Internet (column 13, lines 39-45).

17. Regarding to claims 16-18, Wallman's system works for any financial group investment (column 17, lines 48-54).

***Conclusion***

18. Claims 1-19 are rejected.

19. The prior arts made of record and not relied upon are considered pertinent to applicant's disclosure.

D'Amico et al. (U.S. 2001/0034641) discloses a method and system for investors to control a mutual fund.

Wallman (U.S. 6,338,047) discloses a method and system for investing in a group of investments based on the aggregated individual preferences of plural investors.

O'Shaughnessy (U.S. 6,484,151) discloses a system and method for selecting and purchasing stocks via a global computer network.

20. Examiner's Note: Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.


21. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Hai Tran whose telephone number is (571) 272-7364. The examiner can normally be reached on M-F, 9-4 PM.

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22. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James A. Kramer can be reached on (571) 272-6783. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

23. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

HT.

  
James Kramer  
1/22/07